

Introduced by

1 A BILL for an Act to reenact portions of Senate Bill No. 2015, as approved by the sixty-eighth
2 legislative assembly, to amend and reenact section 54-52-03 of the North Dakota Century
3 Code, relating to the membership of the public employees retirement system board; to provide
4 for duties of the public employees retirement system and public employees retirement system
5 board; to provide an exemption; to provide for retroactive application; and to provide an effective
6 date.

7 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

8 **SECTION 1. REENACTMENT.** The portion of Senate Bill No. 2015, as approved by the
9 sixty-eighth legislative assembly, and published in section 41 of chapter 47 of the 2023 Session
10 Laws, is reenacted as follows:

11 **SECTION 41. AMENDMENT.** Section 54-52-03 of the North Dakota Century
12 Code is amended and reenacted as follows:

13 **54-52-03. Governing authority.**

- 14 1. A state agency is hereby created to constitute the governing authority of the
15 system to consist of a board of eleven individuals known as the retirement
16 board. No more than one elected member of the board may be in the
17 employ of a single department, institution, or agency of the state or in the
18 employ of a political subdivision. An employee of the public employees
19 retirement system or the state retirement and investment office may not
20 serve on the board.
- 21 2. Four members of the legislative assembly must be appointed to serve on
22 the board. The majority leader of the house of representatives shall appoint
23 two members of the house of representatives and the majority leader of the

senate shall appoint two members of the senate. The members appointed under this subsection shall serve a term of two years.

3. Four members of the board must be appointed by the governor to serve a term of five years. Each appointee under this subsection must be a North Dakota citizen who is not a state or political subdivision employee and who is familiar with retirement and employee benefit plans. The governor shall appoint one citizen member to serve as chairman of the board.
4. Three board members must be elected by and from among the active participating members, members of the retirement plan established under chapter 54-52.6, members of the retirement plan established under chapter 39-03.1, and members of the job service North Dakota retirement plan. Employees who have terminated their employment for whatever reason are not eligible to serve as elected members of the board under this subsection. Board members must be elected to a five-year term pursuant to an election called by the board. Notice of board elections must be given to all active participating members. The time spent in performing duties as a board member may not be charged against any employee's accumulated annual or any other type of leave.
5. The members of the board are entitled to receive one hundred forty-eight dollars per day compensation and necessary mileage and travel expenses as provided in sections 44-08-04 and 54-06-09. This is in addition to any other pay or allowance due the chairman or a member, plus an allowance for expenses they may incur through service on the board.
6. A board member shall serve until the board member's successor qualifies. Each board member is entitled to one vote, and six of the eleven board members constitute a quorum. Six votes are necessary for resolution or action by the board at any meeting.

SECTION 2. REENACTMENT. The portion of Senate Bill No. 2015, as approved by the sixty-eighth legislative assembly, and published in section 56 of chapter 47 of the 2023 Session Laws, is reenacted as follows:

1 **SECTION 56. PUBLIC EMPLOYEES RETIREMENT SYSTEM - MAIN SYSTEM**

2 **DEFINED BENEFIT PLAN INVESTMENTS.** During the 2023-25 biennium, the
3 retirement board may not reduce the actuarial rate of return assumption for the public
4 employees retirement system main system defined benefit plan below six and one-half
5 percent.

6 **SECTION 3. REENACTMENT.** The portion of Senate Bill No. 2015, as approved by the
7 sixty-eighth legislative assembly, and published in section 57 of chapter 47 of the 2023 Session
8 Laws, is reenacted as follows:

9 **SECTION 57. PUBLIC EMPLOYEES RETIREMENT SYSTEM - RETIREMENT**

10 **PLAN TRANSITION EDUCATION.** During the 2023-25 biennium, the public
11 employees retirement system shall conduct an informational campaign to educate
12 current and prospective state employees of the transition from the defined benefit
13 retirement plan to the defined contribution retirement plan.

14 **SECTION 4. REENACTMENT.** The portion of Senate Bill No. 2015, as approved by the
15 sixty-eighth legislative assembly, and published in part in section 59 of chapter 47 of the 2023
16 Session Laws, is reenacted as follows:

17 **SECTION 59. EXEMPTION - EMPLOYEE BENEFITS PROGRAMS**

18 **COMMITTEE.** This Act is exempt from the requirements of section 54-35-02.4.

19 **SECTION 5. RETROACTIVE APPLICATION.** Section 1 of this Act applies retroactively to
20 June 1, 2023. Sections 2 through 4 of this Act apply retroactively to July 1, 2023.

21 **SECTION 6. EFFECTIVE DATE.** This Act becomes effective immediately upon its filing with
22 the secretary of state.